

Montgomery County Public Schools

MISSION STATEMENT

The Montgomery County Public Schools (MCPS) operates a Countywide system of public schools for students from pre-kindergarten through high school. For the 2003-04 school year (FY04), 139,203 students in pre-kindergarten classes through grades 12 attend 192 separate public educational facilities. For the 2004-05 school year (FY05), enrollment is estimated to increase to 140,718 students. MCPS also maintains a comprehensive adult education evening high school and summer school program.

BUDGET OVERVIEW

The total recommended FY05 Operating Budget for Montgomery County Public Schools is \$1,585,853,126 an increase of \$84,472,010 or 5.6 percent from the FY04 approved budget of \$1,501,381,116.

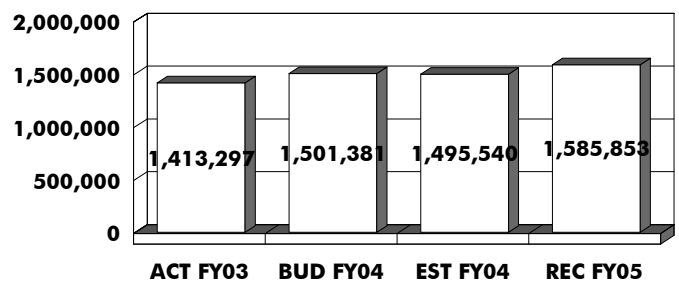
In addition to the total Recommended Operating Budget for the public schools, this agency's Capital Improvements Program (CIP) requires Current Revenue funding. Approximately \$13.1 million dollars in FY05 current revenues is recommended in the FY05-10 Capital Improvements Program. Please see Section 5 for information related to the CIP.

The Board of Education's (BOE) March 1st Operating Budget request for FY05 totals \$1,587,373,378, an increase of \$85,992,262 or 5.7 percent over the FY04 original approved appropriation of \$1,501,381,116. Funding for the BOE's request is comprised of Federal grants and aid (3.6 percent of all revenue); State aid and grants to education (17.2 percent); tuition, fees, and private grants (3.8 percent); and local contribution (75.4 percent). Expenditure of enterprise funds and their associated revenue comprises 3.2 percent of the request, and the special revenue fund comprises 0.1 percent of the request.

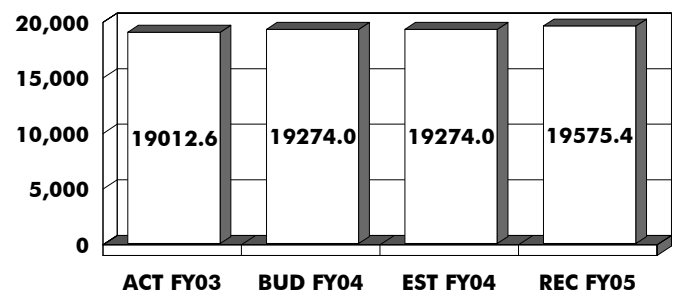
The County Executive's role in the budget process is to present in writing to the County Council a recommended budget total for the schools. For FY05, the County Executive recommends total funding of \$1,585,853,126. The recommended funding increases total per pupil spending by \$484 to \$11,270, despite projected increased enrollment of 1,515 students.

Funding for the Executive's recommendation includes Federal aid and grants of \$56,773,270 (3.6 percent of total recommended funding); State aid and grants of \$272,534,429 (17.2 percent); tuition, fees, and private grants of \$61,227,465 (3.9 percent); and a local contribution of \$1,195,317,962 (75.4 percent of the total recommended appropriation). Appropriation for the fee-supported enterprise funds represents \$50,351,213 (3.2 percent), and the special revenue fund represents \$1,177,000 (0.1 percent).

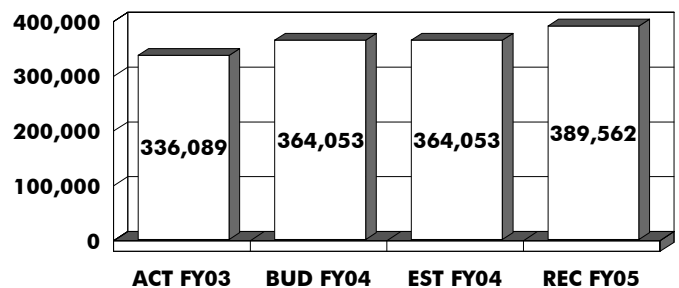
Trends



EXPENDITURES [\$000s]



WORKYEARS



RELATED REVENUES [\$000s]

Tax Supported Funding for the Public Schools

For FY05, the total tax supported portion of the Executive's recommendation (excluding grants and enterprise funds) is \$1,468,007,326, an increase of \$79,129,478 (5.7 percent) over the FY04 original approved Operating Budget.

Included in the tax supported portion of the recommendation is the local contribution of funds. The Executive's recommendation of \$1,195,317,962 represents a total increase in local funding of \$58,925,793 (5.2 percent) over the FY04 original approved local appropriation.

The Executive's recommendation of \$1,195.3 million in local funding is \$51.0 million above the FY05 State Maintenance of Effort (MOE) requirement. Providing local funds to meet the State Maintenance of Effort requirement ensures the receipt of increased State aid to the public schools.

The Executive's recommendation provides the Board of Education with a significant increase in taxpayer dollars to address the most pressing of educational needs and maintain commitments to employees. The Executive supports MCPS' continued efforts to identify opportunities to find budget savings and redirect existing budget expenditures to continue academic reforms and initiatives.

Fiscal Summary

The Executive's total (all funding sources) recommendation of \$1,585,853,126 is \$1.5 million less than requested by the Board of Education. It represents 99.9 percent of the Board of Education's March 1st request for funding from all sources. In making his recommendation, the Executive has considered the needs of the public school system, particularly as they relate to educational priorities.

The Executive's recommendation supports the policies and efforts of the Board of Education. At the time of this publication, contract negotiations for the three MCPS bargaining unit employees are still pending. The Executive supports funding negotiated contracts with the Montgomery County Education Association (MCEA), the Montgomery County Association of Administrative and Supervisory Personnel (MCAASP), and the Montgomery County Council of Supporting Service Employees (MCCSSE). He also supports the priorities of the Board of Education to maintain existing services for a growing enrollment and expand full-day kindergarten at 17 more schools. The Executive intends for the Board of Education to determine the most appropriate manner in which to deliver educational services within the recommended allocation.

Spending Affordability

In December 2003, the Montgomery County Council approved FY04 Spending Affordability Guidelines (SAG) of \$1,418.6 million for the tax supported funds of the Montgomery County Public Schools, a 2.1 percent increase from the \$1,388.9 million

FY04 budget. The Board has requested \$1,469.6 million in tax supported funds, \$50.9 million or 3.6 percent above the SAG guideline. The County Executive recommends \$1,468.0 million for MCPS, \$49.4 million or 3.5 percent above the SAG guideline. The County Council will revisit the Spending Affordability Guidelines by the second Tuesday after the General Assembly adjourns. If the Council amends the allocation for MCPS and it is below the level recommended by the County Executive, the Executive will forward to the Council information on changes the Council would need to make if the Council were to appropriate the FY05 budget at the level set by the Spending Affordability Guidelines.

Additional Budget Details

The Executive believes the total FY05 Operating Budget recommendation provides the resources to address adequately the public school's most critical educational needs to improve achievement for all students.

In making this recommendation, the Executive affirms the authority of the Board to establish educational policy and to determine the allocation of appropriated funds in support of the mission of the public school system.

Complete information regarding the Montgomery County Public Schools' budget request is available in the FY05 MCPS Operating Budget adopted by the Board of Education on March 1, 2004. Copies of the budget are available at Montgomery County libraries and, upon request, from the school system.

In addition, this department's Capital Improvements Program (CIP) requires Current Revenue funding. Please see Section 5 for information related to the CIP.

PROGRAM CONTACTS

Contact Dr. Marshall Spatz of the Montgomery County Public Schools at 301.279.3547 or Angela Dizelos of the Office of Management and Budget at 240.777.2772 for more information regarding this agency's operating budget.

BUDGET SUMMARY

	Actual FY03	Budget FY04	Estimated FY04	Recommended FY05	% Chg Bud/Rec
CURRENT FUND MCPS					
EXPENDITURES					
Salaries and Wages	0	0	0	0	—
Employee Benefits	0	0	0	0	—
Current Fund MCPS Personnel Costs	0	0	0	0	—
Operating Expenses	1,264,640,491	1,388,877,848	1,380,193,353	1,468,007,326	5.7%
Capital Outlay	0	0	0	0	—
Current Fund MCPS Expenditures	1,264,640,491	1,388,877,848	1,380,193,353	1,468,007,326	5.7%
PERSONNEL					
Full-Time	0	0	0	0	—
Part-Time	0	0	0	0	—
Workyears	17236.3	18001.9	18001.9	18300.6	1.7%
REVENUES					
Basic State Aid	128,854,584	164,336,284	164,336,284	161,374,508	-1.8%
Teacher's Salary Challenge	11,825,764	0	0	0	—
Transportation	17,469,395	24,196,410	24,196,410	26,168,520	8.2%
Students With Disabilities	20,203,782	23,386,165	21,260,708	26,617,301	13.8%
Foster Care/Miscellaneous	281,290	250,000	250,000	250,000	—
Thornton Legislation	7,586,129	37,607,724	37,607,724	55,372,083	47.2%
Tuition-Other Sources	2,770,932	2,499,097	2,499,097	2,726,952	9.1%
Federal Revenues	296,773	210,000	210,000	180,000	-14.3%
Current Fund MCPS Revenues	189,288,649	252,485,680	250,360,223	272,689,364	8.0%
GRANT FUND MCPS					
EXPENDITURES					
Salaries and Wages	0	0	0	0	—
Employee Benefits	0	0	0	0	—
Grant Fund MCPS Personnel Costs	0	0	0	0	—
Operating Expenses	106,493,202	62,207,295	65,050,365	66,317,587	6.6%
Capital Outlay	0	0	0	0	—
Grant Fund MCPS Expenditures	106,493,202	62,207,295	65,050,365	66,317,587	6.6%
PERSONNEL					
Full-Time	0	0	0	0	—
Part-Time	0	0	0	0	—
Workyears	1197.0	661.1	661.1	661.1	—
REVENUES					
Federal Grants	52,609,581	51,271,577	53,249,727	56,593,270	10.4%
State Grants	43,794,137	2,709,821	3,574,741	2,752,017	1.6%
Private Grants	10,324,129	8,225,897	8,225,897	6,972,300	-15.2%
Grant Fund MCPS Revenues	106,727,847	62,207,295	65,050,365	66,317,587	6.6%
FOOD SERVICE FUND					
EXPENDITURES					
Salaries and Wages	0	0	0	0	—
Employee Benefits	0	0	0	0	—
Food Service Fund Personnel Costs	0	0	0	0	—
Operating Expenses	33,186,919	38,579,951	38,579,951	39,780,693	3.1%
Capital Outlay	0	0	0	0	—
Food Service Fund Expenditures	33,186,919	38,579,951	38,579,951	39,780,693	3.1%
PERSONNEL					
Full-Time	0	0	0	0	—
Part-Time	0	0	0	0	—
Workyears	545.0	575.4	575.4	577.4	0.3%
REVENUES					
Child Care Food Service	648,728	775,000	775,000	775,000	—
Federal Food	11,573,622	12,222,091	12,222,091	13,059,840	6.9%
State Food	866,705	812,966	812,966	899,640	10.7%
Miscellaneous: Investment Income	182,884	0	0	0	—
Sale of Meals	19,244,297	24,769,894	24,769,894	25,046,213	1.1%
Food Service Fund Revenues	32,516,236	38,579,951	38,579,951	39,780,693	3.1%

	Actual FY03	Budget FY04	Estimated FY04	Recommended FY05	% Chg Bud/Rec
REAL ESTATE FUND					
EXPENDITURES					
Salaries and Wages	0	0	0	0	—
Employee Benefits	0	0	0	0	—
Real Estate Fund Personnel Costs	0	0	0	0	—
Operating Expenses	1,708,462	1,549,796	1,549,796	1,711,757	10.5%
Capital Outlay	0	0	0	0	—
Real Estate Fund Expenditures	1,708,462	1,549,796	1,549,796	1,711,757	10.5%
PERSONNEL					
Full-Time	0	0	0	0	—
Part-Time	0	0	0	0	—
Workyears	4.0	4.0	4.0	4.0	—
REVENUES					
Real Estate Fund	1,584,132	1,549,796	1,549,796	1,711,757	10.5%
Real Estate Fund Revenues	1,584,132	1,549,796	1,549,796	1,711,757	10.5%
ADULT EDUCATION AND SUMMER SCHOOL					
EXPENDITURES					
Salaries and Wages	0	0	0	0	—
Employee Benefits	0	0	0	0	—
Adult Education and Summer School Personnel Costs	0	0	0	0	—
Operating Expenses	3,984,953	6,445,700	6,445,700	6,425,655	-0.3%
Capital Outlay	0	0	0	0	—
Adult Education and Summer School Expenditures	3,984,953	6,445,700	6,445,700	6,425,655	-0.3%
PERSONNEL					
Full-Time	0	0	0	0	—
Part-Time	0	0	0	0	—
Workyears	7.8	7.8	7.8	7.8	—
REVENUES					
Adult Education/Summer School	3,755,591	6,575,406	5,858,189	6,593,956	0.3%
State: Adult Education and Summer School	13,420	13,420	13,420	13,420	—
Federal Aid	28,416	22,533	22,533	22,533	—
Adult Education and Summer School Revenues	3,797,427	6,611,359	5,894,142	6,629,909	0.3%
FIELD TRIP FUND					
EXPENDITURES					
Salaries and Wages	0	0	0	0	—
Employee Benefits	0	0	0	0	—
Field Trip Fund Personnel Costs	0	0	0	0	—
Operating Expenses	1,204,267	1,570,427	1,570,427	1,341,000	-14.6%
Capital Outlay	0	0	0	0	—
Field Trip Fund Expenditures	1,204,267	1,570,427	1,570,427	1,341,000	-14.6%
PERSONNEL					
Full-Time	0	0	0	0	—
Part-Time	0	0	0	0	—
Workyears	3.0	3.0	3.0	3.0	—
REVENUES					
Field Trip Fees	1,226,062	1,570,427	1,570,427	1,341,000	-14.6%
Field Trip Fund Revenues	1,226,062	1,570,427	1,570,427	1,341,000	-14.6%
ENTREPRENEURIAL ACTIVITIES FUND					
EXPENDITURES					
Salaries and Wages	0	0	0	0	—
Employee Benefits	0	0	0	0	—
Entrepreneurial Activities Fund Personnel Costs	0	0	0	0	—
Operating Expenses	1,055,306	1,048,099	1,048,099	1,092,108	4.2%
Capital Outlay	0	0	0	0	—
Entrepreneurial Activities Fund Expenditures	1,055,306	1,048,099	1,048,099	1,092,108	4.2%
PERSONNEL					
Full-Time	0	0	0	0	—
Part-Time	0	0	0	0	—
Workyears	6.0	7.3	7.3	8.0	9.6%
REVENUES					

	Actual FY03	Budget FY04	Estimated FY04	Recommended FY05	% Chg Bud/Rec
Entrepreneurial Activities Fee	934,043	1,048,099	1,048,099	1,092,108	4.2%
Entrepreneurial Activities Fund Revenues	934,043	1,048,099	1,048,099	1,092,108	4.2%
INSTRUCTIONAL TELEVISION FUND					
EXPENDITURES					
Salaries and Wages	0	0	0	0	—
Employee Benefits	0	0	0	0	—
Instructional Television Fund Personnel Costs	0	0	0	0	—
Operating Expenses	1,023,784	1,102,000	1,102,000	1,177,000	6.8%
Capital Outlay	0	0	0	0	—
Instructional Television Fund Expenditures	1,023,784	1,102,000	1,102,000	1,177,000	6.8%
PERSONNEL					
Full-Time	0	0	0	0	—
Part-Time	0	0	0	0	—
Workyears	13.5	13.5	13.5	13.5	—
REVENUES					
Other	14,303	0	0	0	—
Instructional Television Fund Revenues	14,303	0	0	0	—
DEPARTMENT TOTALS					
Total Expenditures	1,413,297,384	1,501,381,116	1,495,539,691	1,585,853,126	5.6%
Total Full-Time Positions	0	0	0	0	—
Total Part-Time Positions	0	0	0	0	—
Total Workyears	19012.6	19274.0	19274.0	19575.4	1.6%
Total Revenues	336,088,699	364,052,607	364,053,003	389,562,418	7.0%

MCPS APPROPRIATED AND RECOMMENDED EXPENDITURES FY80—FY05					
County Fiscal Year	Total Expenditures	Total Enrollment	Per Pupil	County Funding	As Percent of Total
80	\$283,964,983	102,519	\$2,770	\$217,458,068	76.58%
81	\$310,301,970	98,843	\$3,139	\$243,994,370	78.63%
82	\$331,546,219	95,587	\$3,469	\$267,891,955	80.80%
83	\$351,939,986	92,517	\$3,804	\$286,965,658	81.54%
84	\$371,322,717	91,030	\$4,079	\$303,726,901	81.80%
85	\$399,916,181	91,704	\$4,361	\$330,035,065	82.53%
86	\$436,875,791	92,871	\$4,704	\$361,788,973	82.81%
87	\$475,866,930	94,460	\$5,038	\$398,053,264	83.65%
88	\$519,622,140	96,271	\$5,397	\$434,582,576	83.63%
89	\$577,957,669	98,519	\$5,866	\$488,062,505	84.45%
90	\$642,553,932	100,259	\$6,409	\$545,768,528	84.94%
91	\$702,260,084	103,732	\$6,770	\$601,407,797	85.64%
92	\$712,896,646	107,140	\$6,654	\$603,939,300	84.72%
93	\$738,767,864	110,037	\$6,714	\$622,732,456	84.29%
94*	\$793,907,907	113,429	\$6,999	\$666,557,884	83.96%
95	\$830,010,147	117,082	\$7,089	\$695,512,609	83.80%
96	\$878,160,420	120,291	\$7,300	\$718,938,647	81.87%
97	\$915,141,097	122,505	\$7,470	\$740,984,871	80.97%
98	\$958,416,196	125,035	\$7,665	\$765,835,476	79.91%
99	\$1,034,768,530	127,852	\$8,093	\$820,833,423	79.33%
00	\$1,105,644,145	130,689	\$8,460	\$870,940,869	78.77%
01	\$1,216,096,599	134,180	\$9,063	\$959,754,838	78.92%
02	\$1,323,625,477	136,832	\$9,673	\$1,029,703,651	77.79%
03	\$1,412,161,822	138,891	\$10,167	\$1,079,188,698	76.42%
Approved 04	\$1,501,381,116	139,203	\$10,786	\$1,136,392,169	75.69%
Recommended 05	\$1,585,853,156	140,718	\$11,270	\$1,195,317,962	75.37%

Sources: Board of Education Approved Operating Budgets

Notes:

* State legislative action shifted responsibility for teacher Social Security payments to local jurisdictions in FY94.

Per pupil spending represents all sources of funds

In addition to MCPS appropriations, funding in support of MCPS programs is represented in:

- Capital Improvements Program (CIP) Current Revenue
- Debt Service on School Facilities
- Crossing Guards (Police Department)
- School Health Nurses and Health Room Technicians (Health and Human Services)

Other programs budgeted outside of the MCPS budget but directly supporting the success of every student are:

- Early Childhood Initiative (Health and Human Services and Libraries)
- Linkages to Learning (Health and Human Services)
- Educational Alternatives (Health and Human Services)

Montgomery County Public Schools FY 2005 Organization

